

Trends in Conventional Arms Transfers to the Third World by Major Supplier, 1979 - 1986

By

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MAJOR FINDINGS

- The value of all arms transfers agreements with the Third World in 1986 (\$29.2 billion) was the lowest total for any year since 1979 (in constant 1986 dollars). The total value of all arms transfer agreements with the Third World remains well below the peak years of 1980 and 1982, when such agreements exceeded \$58.7 billion and \$58.3 billion respectively (in constant 1986 dollars, Table 1A).
- In 1986, the total value of U.S. arms transfer agreements with the Third World was the lowest of any year since 1979 (in constant 1986 dollars, Table 1A).
- In 1986, for the fourth year in a row, the total value of United States arms transfer agreements with the Third World has declined from the previous year (Tables 1A and 1B).
- The total value of U.S. arms transfer agreements with the Third World declined to \$3.9 billion in 1986, from \$5.2 billion in 1985 (in constant 1986 dollars). The U.S. share of all such agreements was 13.5% in 1986, down from 14.1% in 1985 (Tables 1A and 1B).
- The Soviet Union registered a substantial increase in its share of Third World arms transfer agreements between 1985 and 1986. The Soviet Union's share increased to 43.3% in 1986, from 30.9% in 1985. The value of the Soviet Union's agreements rose to \$12.6 billion in 1986, from \$11.4 billion in 1985 (in constant 1986 dollars, Tables 1A and 1B).
- The four Major West European suppliers [France, United Kingdom, West Germany, and Italy], as a group, experienced a significant decline in their share of Third World arms transfer agreements between 1985 and 1986. The group's share declined from 31.6% in 1985 to 10.4% in 1986. The collective value of this group's arms transfer agreements with the Third World in 1986 was slightly more than \$3 billion compared to a total of \$11.7 billion in 1985 (in constant 1986 dollars, Tables 1A and 1B).
- In 1986, the total value of the Third World arms transfer agreements of the four Major West European suppliers, as a group, was the lowest of any year since 1979 (in constant 1986 dollars, Table 1A).

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- In the period from 1979-1986, certain emerging suppliers of armaments to the Third World have ranked ahead of some of the traditional, industrialized suppliers--both in terms of the value of arms transfer agreements and the *value* of arms *deliveries*. In particular, China ranked ahead of both West Germany and Italy in the value of arms transfer agreements with the Third World. China ranked fifth among all suppliers to the Third World in the value of arms transfer agreements from 1979-1983, from 1983-1986, and from 1979-1986 (in *current* U.S. dollars, Table 1F).
- China ranked fifth in the *value* of arms *delivered* to the Third World from 1979-1986 and ranked *fourth* in the *value* of arms *delivered* from 1983-1986 (in *current* U.S. dollars, Table 2F).
- During the period from 1983-1986, the value of arms transfer *agreements* made by Spain, Czechoslovakia, and Brazil with the Third World--in the case of each of these three countries--exceeded that of West Germany, which ranked tenth among all arms suppliers to the Third World during this timeframe (in *current* U.S. dollars, Table 1F).
- The Near East and South Asia region is the greatest Third World arms market. In 1983-1986, it accounted for nearly 70% of the total value of all Third World arms transfer agreements.
- In the Near East and South Asia region between 1983 and 1986, the Soviet Union had the largest share of arms transfer agreements of any single supplier with 31.2%. The United States' share during this period was 17.8%. The four Major West European suppliers, as a group, had 24.2% of all arms transfer agreements [in this region].
- In the Latin American region, shares of arms transfer agreements have undergone a major shift during the period from 1979-1982 and 1983-1986. In the earlier period, the Major West European suppliers, as a group, held 26.7% of all Latin American agreements. This share dropped to 11.6% in 1983-1986. The United States' share of Latin American arms transfer agreements increased very slightly to 9.2% in 1983-1986, from 9.0% in 1979-1982. The Soviet Union had the most dramatic increase in its share of Latin American agreements. The Soviets' share rose from 43.3% in 1979-1982, to 54.1% in 1983-1986. All other suppliers to Latin America collectively increased their share of arms transfer agreements from 21.0% in the 1979-1982 period to 25.1% in the 1983-1986 period.
- The *value* of all arms *deliveries* to the Third World in 1986 was the lowest of any year since 1979; and 1986 marked the fourth year in a row that the real value of all deliveries to the Third World declined (in constant 1986 dollars, Table 2A).
- The total *value* of all non-Communist nations' arms transfer *agreements* with the Third World from 1979-1986 (\$186.7 billion) exceeded the total value of all such agreements by all Communist nations during this period (\$166.6 billion in constant 1986 dollars, Table 1A).
- The total *value* of all Communist nations' arms *deliveries* to the Third World from 1979-1986 (161.7 billion) exceeded the total value of all such deliveries by all non-communist nations during this period (\$145 billion, in constant 1986 dollars, Table 2A).

EXPLANATORY NOTES

The Third World category includes all countries *except* NATO nations, Warsaw Pact nations, Europe, Japan, Australia, and New Zealand. All data are for the *calendar year* given, except for

the U.S. MAP (Military Assistance Program) and IMET (International Military Education and Training) program data in the *agreements* table, which are included for the particular *fiscal* year. U.S. *commercial* sales and deliveries area *excluded*. This is done because the U.S. Foreign Military Sales (FMS) program accounts for the overwhelming amount of U.S. conventional arms transfer agreements and deliveries. Further, the data maintained on U.S. commercial sales agreements and deliveries are much less precise than that for the FMS program. However, all Foreign Military Sales (FMS) *construction* sales and deliveries are *included* in the U.S. values totals.

It should be noted that the dollar figures presented for the U.S.S.R. reflect a revaluation of the Soviet military assistance program and show a 43% increase, from \$62 billion to \$88 billion, for the 1980-1985 timeframe. This revaluation did *not* involve changes in the number or types of major military *equipment delivered*; rather it increased the dollar estimates for support materiel. The effect of the increase is most pronounced for those countries which have been at war or have had conflict/insurgency situations during the period, thus requiring substantial quantities of support materiel.

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The . . . weapons delivery data [reflected in Table 3] collectively show that the Soviet Union was the leading arms supplier to the Third World of several major classes of conventional weaponry from 1983-1986. The United States also transferred substantial quantities of many of the same weapons classes, but did not match the Soviets in sheer numbers delivered during this period.

The Major West European suppliers were serious competitors of the two superpowers in weapons deliveries from 1983-1986, making notable deliveries of certain categories of armaments to every region of the Third World--most particularly to Latin America and Sub-Saharan Africa, but also to the Near East and South Asia region.

In spite of these various trends a cautionary note is warranted. Aggregate data on weapons categories delivered by suppliers do not provide *specific* indices of the *quality* or *level of sophistication* of the weaponry actually provided. As the history of conventional conflicts suggest, quality and/or sophistication of weapons can offset a *quantitative* disadvantage. The fact that the United States, for example, may not "lead" in *quantities* of weapons delivered to a region does not necessarily mean that the weaponry it has transferred cannot compensate, to an important degree, for larger quantities of *less capable* weapons systems delivered by the Soviet Union.

Further, these data do not provide an indication of the capabilities of the recipient nations to use effectively the weapons actually delivered to them. Superior training--coupled with quality equipment--may, in the last analysis, be a more important factor in a nation's ability to engage successfully in conventional warfare than the size of its weapons inventory.

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Table 1A

Arms Transfer Agreements with the Third World, by Supplier*
(In millions of constant 1986 U.S. dollars)

	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
Non-Communist								
Of which:								
United States	14,357	11,687	7,913	14,241	10,029	7,161	5,214	3,925
France	5,080	10,670	2,162	8,151	1,985	7,317	1,564	1,575
United Kingdom	1,909	2,856	1,841	1,568	598	561	8,599	890
West Germany	1,458	1,603	2,053	925	636	386	189	105
Italy	917	3,873	412	1,410	1,708	603	1,355	460
All Other	2,329	4,257	7,176	4,022	7,273	3,111	4,177	4,375
Total Non-Communist	26,049	34,945	21,556	30,317	22,230	19,139	21,098	11,330
Communist								
Of which:								
U.S.S.R.	16,952	21,117	16,368	23,443	7,332	22,934	11,457	12,630
All Other	1,758	2,667	9,126	4,546	3,732	2,815	4,494	5,200
Total Communist	18,711	23,784	25,494	27,990	11,064	25,749	15,951	17,830
GRAND TOTAL	44,760	58,730	47,050	58,307	33,294	44,887	37,049	29,160
Dollar Inflation index (1986=100)	.6654	.7423	.8257	.8864	.9192	.9451	.978	1

[BASED ON DEPARTMENT OF DEFENSE PRICE DEFLATOR]

* All data are for the calendar year given, except for U.S. MAP (Military Assistance Program) and IMET (International Military Education and Training) data which are included for the particular fiscal year. All prices given include the values of weapons, spare parts, construction, all associated services, military assistance, and training programs. Statistics for foreign countries are based upon estimated selling prices. U.S. commercial sales contract values are excluded, as are MASF (Military Assistance Service Funded) related grant transfers to South Korea and Thailand. All data reflect termination of sales contracts.

Source: U.S. Government.

Table 1B

Arms Transfer Agreements with the Third World, by Supplier, 1979-1986
(Expressed as a percent of Grand Total, by year)

	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
Non-Communist								
Of which:								
United States	32.08%	19.90%	16.82%	24.42%	30.12%	15.95%	14.07%	13.46%
France	11.35%	18.17%	4.59%	13.98%	5.96%	16.30%	4.22%	5.40%
United Kingdom	4.26%	4.86%	3.91%	2.69%	1.80%	1.25%	23.21%	3.05%
West Germany	3.26%	2.73%	4.36%	1.59%	1.91%	.86%	.51%	.36%
Italy	2.05%	6.59%	.88%	2.42%	5.13%	1.34%	3.66%	1.58%
All Other	5.20%	7.25%	15.25%	6.90%	21.84%	6.93%	11.27%	15.00%
Total Non-Communist	58.20%	59.50%	45.82%	52.00%	66.77%	42.64%	56.95%	38.85%
(Major West European)*	20.92%	32.35%	13.75%	20.67%	14.80%	19.75%	31.60%	10.39%
Communist								
Of which:								
U.S.S.R.	37.87%	35.96%	34.79%	40.21%	22.02%	51.09%	30.92%	43.31%
All Other	3.93%	4.54%	19.40%	7.80%	11.21%	6.27%	12.13%	17.83%
Total Communist	41.80%	40.50%	54.18%	48.00%	33.23%	57.36%	43.05%	61.15%
GRAND TOTAL	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

*(Major West European category includes France, United Kingdom, West Germany, and Italy.)

Source: U.S. Government.

Table 1F

Arms Transfer Agreements with the Third World, 1979-1986
Leading Suppliers Compared
(In millions of current U.S. dollars)

	1979-1982 Agreements		1983-1986 Agreements		1979-1986 Agreements		% of Change from 1979-1982 to 1983-1986
	Values	Rank	Values	Rank	Values	Rank	
U.S.S.R	61,250	(1)	52,250	(1)	113,500	(1)	-14.69%
United States	37,385	(2)	25,011	(2)	62,396	(2)	-33.10%
France	20,310	(3)	11,845	(3)	32,155	(3)	-41.68%
United Kingdom	6,300	(4)	10,380	(4)	16,680	(4)	64.76%
West Germany	4,675	(7)	1,240	(10)	5,915	(7)	-73.48%
Italy	5,075	(6)	3,925	(6)	9,000	(6)	-22.66%
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China	5,520	(5)	4,690	(5)	10,210	(5)	-15.04%
Czechoslovakia	1,735	(9)	2,615	(8)	4,350	(8)	50.72%
Spain	1,035	(11)	2,725	(7)	3,760	(9)	163.29%
Brazil	1,170	(10)	2,220	(9)	3,390	(10)	89.74%
South Korea	2,210	(8)	1,155	(11)	3,365	(11)	-47.74%

Source: U.S. Government.

	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
Non-Communist								
Of which:								
United States	8,805	7,322	7,142	8,972	10,225	5,788	5,573	5,174
France	2,142	3,610	4,905	3,864	4,498	4,291	4,601	3,770
United Kingdom	1,383	2,290	2,979	1,749	1,409	1,249	644	250
West Germany	1,135	1,320	1,399	530	1,251	2,529	419	20
Italy	977	876	1,302	1,179	1,224	1,127	844	220
All Other	2,780	2,310	3,676	5,218	3,046	5,100	2,592	1,330
Total Non-Communist	17,221	17,729	21,402	21,512	21,654	20,083	14,673	10,764
Communist								
Of which:								
U.S.S.R.	17,200	18,550	17,119	17,814	17,276	16,675	13,088	15,335
All Other	1,608	2,075	3,312	4,744	4,074	5,603	4,080	3,105
Total Communist	18,808	20,625	20,431	22,558	21,350	22,278	17,168	18,440
GRAND TOTAL	36,029	38,354	41,834	44,069	43,004	42,361	31,840	29,204

Table 2B

Arms Deliveries to the Third World, by Supplier, 1979-1986
 (Expressed as a percent of Grand Total, by year)

	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
Non-Communist								
Of which:								
United States	24.44%	19.09%	17.07%	20.36%	23.78%	13.66%	17.50%	17.72%
France	5.94%	9.41%	11.72%	8.77%	10.46%	10.13%	14.45%	12.91%
United Kingdom	3.84%	5.97%	7.12%	3.97%	3.28%	2.95%	2.02%	.86%
West Germany	3.15%	3.44%	3.34%	1.20%	2.91%	5.97%	1.32%	.07%
Italy	2.71%	2.28%	3.11%	2.68%	2.85%	2.66%	2.65%	.75%
All Other	7.72%	6.02%	8.79%	11.84%	7.08%	12.04%	8.14%	4.55%
Total Non-Communist	47.80%	46.22%	51.16%	48.81%	50.35%	47.41%	46.08%	36.86%
(Major West European)*	15.64%	21.11%	25.30%	16.61%	19.49%	21.71%	20.44%	14.59%
Communist								
Of which:								
U.S.S.R.	47.74%	48.37%	40.92%	40.42%	40.17%	39.37%	41.10%	52.51%
All Other	4.46%	5.41%	7.92%	10.76%	9.47%	13.23%	12.81%	10.63%
Total Communist	52.20%	53.78%	48.84%	51.19%	49.65%	52.59%	53.92%	63.14%
GRAND TOTAL	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
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*(Major West European category includes France, United Kingdom, West Germany, and Italy.)

Table 2F

Arms Deliveries to the Third World, 1979-1986
Leading Suppliers Compared
(In millions of current U.S. dollars)

	1979-1982 Deliveries		1983-1986 Deliveries		1979-1986 Deliveries		% of Change from 1979-1982 to 1983-1986
	Values	Rank	Values	Rank	Values	Rank	
U.S.S.R	55,140	(1)	59,775	(1)	114,915	(1)	8.41%
United States	25,144	(2)	25,493	(2)	50,637	(2)	1.39%
France	11,580	(3)	16,460	(3)	28,040	(3)	42.14%
United Kingdom	6,630	(4)	3,355	(6)	9,985	(4)	-49.40%
West Germany	3,360	(6)	3,970	(5)	7,330	(7)	18.15%
Italy	3,420	(5)	3,235	(7)	6,655	(6)	-5.41%
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China	2,035	(7)	5,245	(4)	7,280	(5)	157.74%
Czechoslovakia	1,115	(9)	2,565	(8)	3,680	(8)	130.04%
Spain	780	(11)	2,045	(9)	2,825	(9)	162.19%
Brazil	1,080	(10)	1,150	(10)	2,230	(10)	6.48%
South Korea	1,670	(8)	1,045	(11)	2,715	(11)	-37.43%

Source: U.S. Government.

Table 3
Number of Weapons Delivered by Major Suppliers
to the Third World

<u>Weapons Category</u>	<u>United States</u>	<u>U.S.S.R.</u>	<u>Major Western European**</u>
<u>1979-1982</u>			
Tanks and Self-Propelled Guns	1,323	6,250	420
Artillery	1,735	6,735	685
APCs and Armored Cars	3,853	7,240	3,425
Major Surface Combatants	7	26	39
Minor Surface Combatants	26	107	166
Submarines	0	6	7
Supersonic Combat Aircraft	197	1,660	275
Subsonic Combat Aircraft	25	200	115
Other Aircraft	179	310	310
Helicopters	151	845	530
Guided Missile Boats	0	42	24
Surface-to-Air Missiles (SAMs)	2,704	15,340	2,200
<u>1983-1986</u>			
Tanks and Self-Propelled Guns	2,272	2,960	440
Artillery	1,518	4,585	670
APCs and Armored Cars	4,224	6,115	1,360
Major Surface Combatants	6	26	41
Minor Surface Combatants	23	92	48
Submarines	0	7	5
Supersonic Combat Aircraft	321	1,110	173
Subsonic Combat Aircraft	170	80	74
Other Aircraft	137	290	230
Helicopters	168	720	295
Guided Missile Boats	0	8	10
Surface-to-Air Missiles (SAMs)	2,864	11,085	1,110
<u>1979-1986</u>			
Tanks and Self-Propelled Guns	3,595	9,210	860
Artillery	3,253	11,320	1,355
APCs and Armored Cars	8,077	13,355	4,785
Major Surface Combatants	13	52	80
Minor Surface Combatants	49	199	214
Submarines	0	13	12
Supersonic Combat Aircraft	518	2,770	448
Subsonic Combat Aircraft	195	280	189
Other Aircraft	316	600	540
Helicopters	319	1,565	825
Guided Missile Boats	0	50	34
Surface-to-Air Missiles (SAMs)	5,568	26,425	3,310

* Third world category excludes Europe, NATO nations, Warsaw Pact nations, Japan, Australia, and New Zealand. All data are for calendar years given.

** Major Western European includes France, United Kingdom, West Germany, and Italy totals as an aggregate figure.

Source: U.S. Government